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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re

CASH CLOUD, INC.,
dba COIN CLOUD

Debtor.

Case No. BK-23-10423-mkn

Chapter 11

***AMENDED* CERTIFICATION OF BRETT A. AXELROD PURSUANT TO LOCAL RULE 3017(C) IN SUPPORT OF EX PARTE MOTION FOR ORDER PURSUANT TO 11 U.S.C. § 105(D)(2)(B)(VI), FED. R. BANKR. P. 3017.1 AND LOCAL RULE 3017 IMPLEMENTING EXPEDITED SOLICITATION AND CONFIRMATION PROCEDURES INCLUDING:**
(I) CONDITIONALLY APPROVING DISCLOSURE STATEMENT;
(II) SETTING COMBINED HEARING ON FINAL APPROVAL OF DISCLOSURE STATEMENT AND PLAN CONFIRMATION;
(III) APPROVING (A) FORM AND SCOPE OF COMBINED HEARING NOTICE, AND (B) FORM OF BALLOTS;
(IV) SCHEDULING VOTING AND OBJECTION DEADLINES; AND
(V) GRANTING RELATED RELIEF

[No Hearing Required]

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1 I, Brett Axelrod, declare under penalty of perjury as follows:

2 1. I am over the age of 18, have personal knowledge of the facts in this matter, and if
3 called upon to testify, could and would do so.

4 2. I, Brett A. Axelrod, hereby certify pursuant to LR 3017(c) in support of Cash Cloud,
5 Inc., dba Coin Cloud's (the "Debtor"), *Ex Parte Motion* (the "Motion")¹ for an Order pursuant to
6 Local Rule 3017 ("LR 3017"): (1) granting conditional approval of the proposed *Disclosure*
7 *Statement* (the "Disclosure Statement") in connection with *Debtor's Chapter 11 Plan of*
8 *Reorganization Dated May 8, 2023* (the "Plan"); (3) approving (a) the form and scope of the notice
9 of the hearing on final approval of the Disclosure Statement and confirmation of the Plan, and (b)
10 the form of ballots for the Plan; and (4) approving the other deadlines and procedures, filed
11 concurrently herewith, that:

12 **A. Circumstances that Favor the Preliminary Approval of the Disclosure Statement:**

13 3. As set forth in the Motion, numerous circumstances favor the use of expedited chapter
14 11 procedures pursuant to LR 3017, including:

- 15 (i) the Disclosure Statement contains adequate information;
- 16 (ii) the Plan must be confirmed by June 28, 2023 in order to prevent a default under
17 Debtor's DIP Financing Agreement;² and
- 18 (iii) avoiding the delay and duplication attendant to holding separate hearings will facilitate
19 the expeditious and efficient resolution of this complex and highly contested Chapter
20 11 Case.

23 ¹ Capitalized terms not defined herein have the meanings assigned to them in the Motion.

24 ² On February 8, 2023, the Debtor filed a *Motion for Interim and Final Orders: (I) Authorizing*
25 *Debtor to Obtain Post-petition Senior Secured, Superpriority Financing; (II) Granting Liens and*
26 *Superpriority Claims; (III) Modifying the Automatic Stay; (IV) Scheduling Final Hearing; and (V)*
27 *Granting Related Relief* [ECF No. 35] (the "DIP Financing Motion"), seeking approval of a financing
28 agreement (the "DIP Financing Agreement") for a debtor in possession loan in the aggregate amount
of \$5 million. On February 17, 2023, the Court entered its Interim Order approving the DIP
Financing Motion on an interim basis [ECF No. 132] and a final basis [ECF No. 315, entered on
March 20, 2023 (the "Final DIP Order")].

B. Number of Creditors, Value of Assets and Number of Claims in Debtor's Schedules.

4. The factual information required per LR 3017(c)(ii) from Debtors' bankruptcy schedules is as follows: approximately 2,400 total creditors; real property assets in the amount of \$20,847.70, and approximately \$71,041,124.61 in personal property assets on Schedule B, which consisted of machinery, equipment and crypto currency. As set forth in the Schedules, the total liabilities consist of the following: (1) \$15,578,790.92 in secured claims; (2) \$96,012.69 in priority claims; and (3) \$127,460,471.78 in unsecured claims.³

C. The Proposed Disclosure Statement Contains the Information Required by Official Form 25B.

5. Debtor's proposed Disclosure Statement contains the information required by Official Form 25B, including: (a) a statement regarding Debtor's background, ownership, and pre-bankruptcy operating and financial history [Disclosure Statement, Art. III, §§ 3.1-3.2]; (b) a discussion of the reason for the bankruptcy filing [Disclosure Statement, Art. III, § 3.3]; (c) a summary of proceedings to date in the bankruptcy case [Disclosure Statement, Art. IV]; (d) a summary of assets [Disclosure Statement, Art. III, § 3.2.B]; (e) a description of unclassified claims, including estimated amounts of administrative and priority claims [Disclosure Statement, Art. V, § 5.1]; (f) a description of claims by class, including an estimate of the amount of claims in each class as reflected by the schedules and proofs of claim on file [Disclosure Statement, Art. V, § 5.2]; (g) a summary of the treatment of unclassified and classified claims under the proposed plan [Disclosure Statement, Art. V, §§ 5.1-5.2]; (h) A discussion of the means of implementing the proposed plan [Disclosure Statement, Art. V, § 5.5]; (i) a summary of risk factors [Disclosure Statement, Art. IX, §§ 9.11-9.12, Art. X]; (j) a discussion of the tax consequences of the proposed plan [Disclosure Statement, Arts. VI & VII]; (k) a summary of the treatment of executory contracts under the proposed plan [Disclosure Statement, Art. V, § 5.4]; (l) liquidation analysis [Disclosure Statement, Art. IV, § 9.11]; and (m) a statement as to how the proponent intends to achieve the payments proposed [Disclosure Statement, Art. V, § 5.5.A.- 5.5.B.].

³ On March 9, 2023: Debtor filed its *Schedules and Statement of Financial Affairs* [Docket Nos. 239 & 240].

DATED this 8th day of May 2023.

BRETT AXELROD